

H-19(D) Fixed Rate Mortgage with Balloon Payment Sample

Jane Smith
1234 Main Street,
Anytown, ST 12345

March 26, 2009
XXX Bank
Loan Officer No. 12345-1234

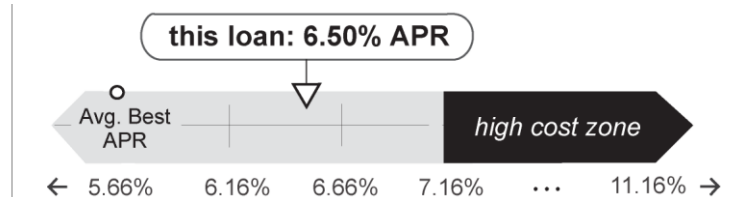
LOAN SUMMARY

Loan Amount:	\$210,000.00
Loan Term:	3 years
Loan Type and Features:	Fixed Rate Mortgage
Total Settlement Charges:	\$7,472.00 <ul style="list-style-type: none">• \$3,000.00 of these charges are already included in your loan amount above.• This total does not include a down payment. See your Good Faith Estimate or HUD-1 for details.

ANNUAL PERCENTAGE RATE (APR)

Overall cost of this loan,
including interest and
settlement charges:

6.50% APR



How does this loan compare? For the week of March 23, 2009, the average APR on similar conforming loans offered to applicants with excellent credit was **5.66%**. Today, an APR of **7.16%** or above is considered high cost and is usually available to applicants with poor credit history.

How much could I save by lowering my APR? For this loan, a 1% reduction in the APR could save you an average of **\$175 each month**.

INTEREST RATE AND PAYMENT SUMMARY

	Rate & Monthly Payment
Interest Rate	5.50%
Principal + Interest Payment	\$1,192.36
Est. Taxes + Insurance (Escrow)	not included
Total Est. Monthly Payment	\$1,192.36

Final Balloon Payment due March 2012: \$202,217.84

KEY QUESTIONS ABOUT RISK

Can my interest rate increase?	No.
Can my monthly payment increase?	No.
Will I owe a balloon payment?	YES. You will owe a balloon payment of \$202,217.84 , due in March 2012.
Could I owe a prepayment penalty?	No.
Do I have to share any equity I gain?	YES. We are entitled to 50% of any gain you make when you sell or refinance this property.

MORE INFORMATION ABOUT YOUR PAYMENTS

Escrow	An escrow account is not required on this loan. You must pay your property taxes, homeowners, and other insurance on your own.
Total Payments	If you made all payments as scheduled, you would make 36 payments totaling \$243,950.44. Of this amount, \$39,530.44 would go to interest and settlement charges. This amount, and your amount financed of \$204,420.00, are used to calculate your APR.

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- ➔ **You have no obligation to accept this loan.** Your signature below only confirms that you have received this form.
 - ➔ **If you are unable to make the payments on this loan, you could lose your home.** There is no guarantee that you will be able to refinance to lower your rate and payments.
 - ➔ If you borrow more than your home is worth, the interest on the extra amount may not be deductible for federal income tax purposes. Consult a tax advisor to find out whether the interest you pay is deductible.
 - ➔ **If you do not understand any part of this form, ask questions.** For more information, go to www.xxx.gov.

Applicant's Signature

Date